Supply Chain Management Issues

Municipal bidding document: declaration on abuse of the supply chain management system (MBD 8)

A new bidding document is provided to assist municipalities and municipal entities assess cases of abuse against the supply chain management system. This document can be customised by incorporating the municipality's logo, name and contact details and should be provided to all potential bidders for the supply of goods and services or disposal of assets and goods no longer needed. Please use MBD 8 for all bids invited with effect from 1 April 2006.

The accounting officer is required to take all reasonable steps to prevent abuse and regulation 38 (Municipal: Supply Chain Management Regulations) empowers the accounting officer to disregard a bid if that bidder, or any of its directors has:

- abused the municipality's or municipal entity's supply chain management system or has committed any improper conduct in relation to such system;
- been convicted for fraud or corruption during the past five years;
- willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

Bidders are required to complete MBD 8, sign the declaration and submit with each bid. The information furnished by the bidder should be used to ensure that when goods and services are being procured or disposed, all reasonable steps are taken to combat the abuse of the supply chain management system.

Accounting officers are required to inform the National Treasury and the relevant provincial treasury of any actions taken against a bidder in terms of regulation 38(2).

Contact

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